

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*

FORM APPROVED
OMB NO. 1040-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK

DRILL ☒

DEEPEN ☐

TYPE OF WELL

☐

☒

☐

SINGLE ☒

MULTIPLE ☐

OIL WELL

GAS WELL

OTHER

ZONE

ZONE

2. NAME OF OPERATOR

Shenandoah Energy Inc.

Contact: John Busch

E-Mail: jbusch@shenandoahenergy.com

3. ADDRESS

11002 E. 17500 S. Vernal, Ut 84078

Telephone number

Phone 435-781-4341 Fax 435-781-4323

4. LOCATION OF WELL (Report location clearly and in accordance with and State requirements*)

At Surface

NWSW, 1964' FSL, 749' FWL, LOT #5 44388 22 40.09148

At proposed production zone

630443 -109.46987

14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE*

15 +/- MILES FROM REDWASH, UTAH

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

(also to nearest drig,unit line if any)

749' +/-

16. NO. OF ACRES IN LEASE

864.42

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST well, drilling, completed, applied for, on this lease, ft

3000' +/-

19. PROPOSED DEPTH

7225

20. BLM/BIA Bond No. on file

U-0969

21. ELEVATIONS (Show whether DF, RT, GR, ect.)

4806' KB

22. DATE WORK WILL START

ASAP

23. Estimated duration

10 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan
3. A surface Use Plan (if location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

SIGNED John Busch

Name (printed/typed) JOHN BUSCH

DATE April 16-02

TITLE Operations

(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE _____

Application approval does not warrant or certify the applicant holds any leasehold or title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Bradley G. Hill

TITLE

BRADLEY G. HILL
RECLAMATION SPECIALIST III

*See Instructions On Reverse Side

DATE 04-22-02

Title 48 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the

United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

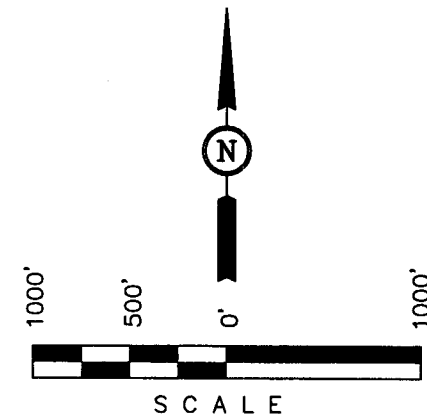
T8S, R22E, S.L.B.&M.

SHENANDOAH ENERGY, INC.

Well location, OU GB #12W-29-8-22, located as shown in the NW 1/4 SW 1/4 of Section 29, T8S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHEAST CORNER OF SECTION 25, T8S, R21E, S.L.B.&M. TAKEN FROM THE RED WASH SW QUADRANGLE, UTAH, UTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4731 FEET.



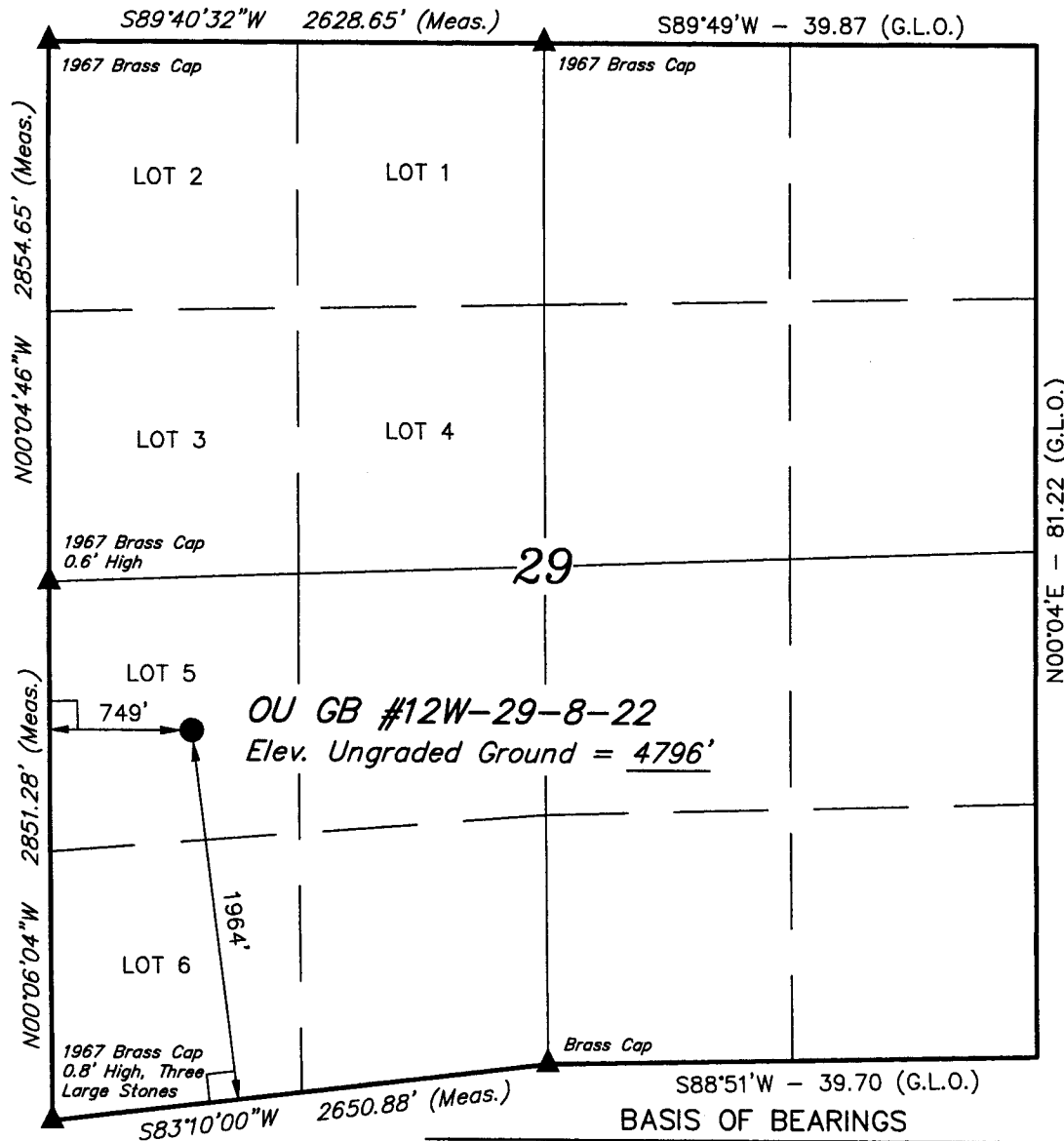
CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert H. Gray
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 03-04-02	DATE DRAWN: 03-06-02
PARTY G.S. W.L. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE SHENANDOAH ENERGY, INC.	



LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

BASIS OF BEARINGS IS THE EAST LINE OF THE NE 1/4 OF SECTION 26, T8S, R21E, S.L.B.&M. WHICH IS ASSUMED FROM G.L.O. INFORMATION TO BEAR N0°55'W.

(AUTONOMOUS NAD83)

LATITUDE = 40°05'31.15" (40.091986)

LONGITUDE = 109°28'14.86" (109.470794)

**SHENANDOAH ENERGY INC.
OVER AND UNDER GLEN BENCH 12W-29-8-22
1964' FSL, 749' FWL, LOT # 5
NWSW, 29, T8S, R22E
UINTAH COUNTY, UTAH
LEASE # UTU-74493**

ONSHORE ORDER NO. 1

MULTI – POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

The proposed well site is approximately 15 miles southwest of Red Wash, Utah.

Refer to Topo Maps A and B for location of access roads within a 2 – mile radius.

There will be no improvements made to existing access roads.

2. Planned Access Roads:

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

Refer to Topo Map B for the location of the proposed access road.

3. Location of Existing Wells Within a 1 – Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

Refer to Topo Map D for the location of the proposed pipeline.

5. Location and Type of Water Supply:

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

6. Source of Construction Materials:

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

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7. Methods of Handling Waste Materials:

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

8. Ancillary Facilities:

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

10. Plans for Reclamation of the Surface:

Please see Shenandoah energy Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Township 07 and 08 South, Ranges 21 to 24 East.

11. Surface Ownership:

The well pad and access road are located on lands owned by:

Ute Tribe
PO Box 190
Ft. Duchesne, Ut. 84026

12. Other Information

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. Cultural resource clearance was recommended for this location.

CUA

SHENANDOAH ENERGY INC.
OU GB 12W-29-8-22

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

Formation	Depth
Uinta	Surface
Green River	2335
Mahogany Ledge	3180
Mesa	5505
TD (Wasatch)	7225

2. Anticipated Depths of Oil, Gas, Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

Substance	Formation	Depth
Oil/Gas	Wasatch	7225

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

3. Anticipated Bottom Hole Pressures

Maximum anticipated bottom hole pressure equals approximately 2890.0 psi.

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Additional Operator Remarks

Shenandoah Energy Inc. proposes to drill a well to 7225' to test the Wasatch. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements

Please see Shenandoah Energy Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 and 24 East.

See Onshore Order No. 1 attached

Please be advised that Shenandoah Energy Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. U-0969. The principal is Shenandoah Energy Inc. via surety as consent as provided for the 43 CFR 3104.2.

Lessee's or Operator's Representative:

John Busch
Red Wash Operations Rep.
Shenandoah Energy Inc.
11002 East 17500 South
Vernal, Utah 84078
(435) 781-4341

Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

Shenandoah Energy Inc. will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Shenandoah Energy Inc. its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

John Busch
John Busch
Red Wash Operations Representative

16-Apr-02
Date

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SHENANDOAH ENERGY, INC.

OU GB #12W-29-8-22

LOCATED IN UINTAH COUNTY, UTAH

SECTION 29, T8S, R22E, S.L.B.&M.

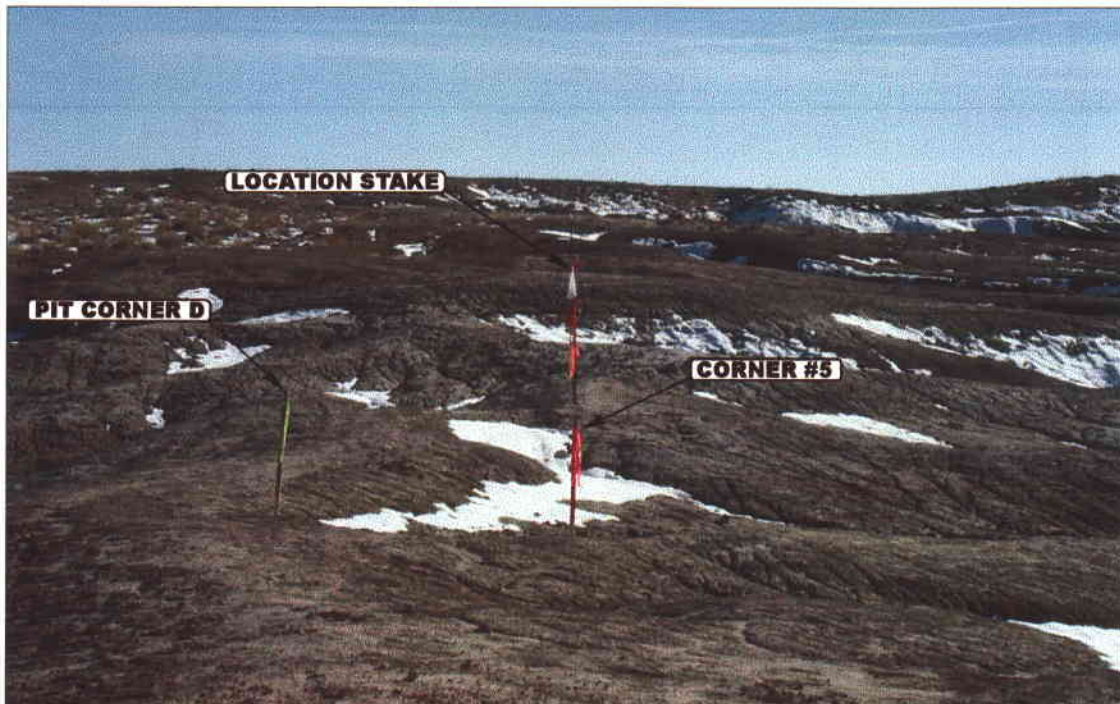


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

3

MONTH

6

DAY

02

YEAR

PHOTO

TAKEN BY: G.S.

DRAWN BY: P.M.

REVISED: 00-00-00

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SHENANDOAH ENERGY, INC.

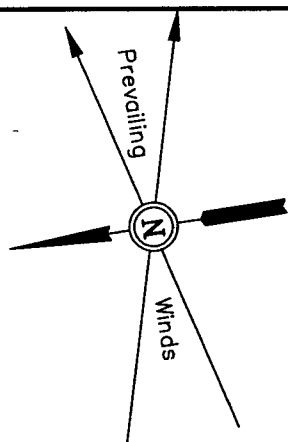
FIGURE #1

LOCATION LAYOUT FOR

OU GB #12W-29-8-22

SECTION 29, T8S, R22E, S.L.B.&M.

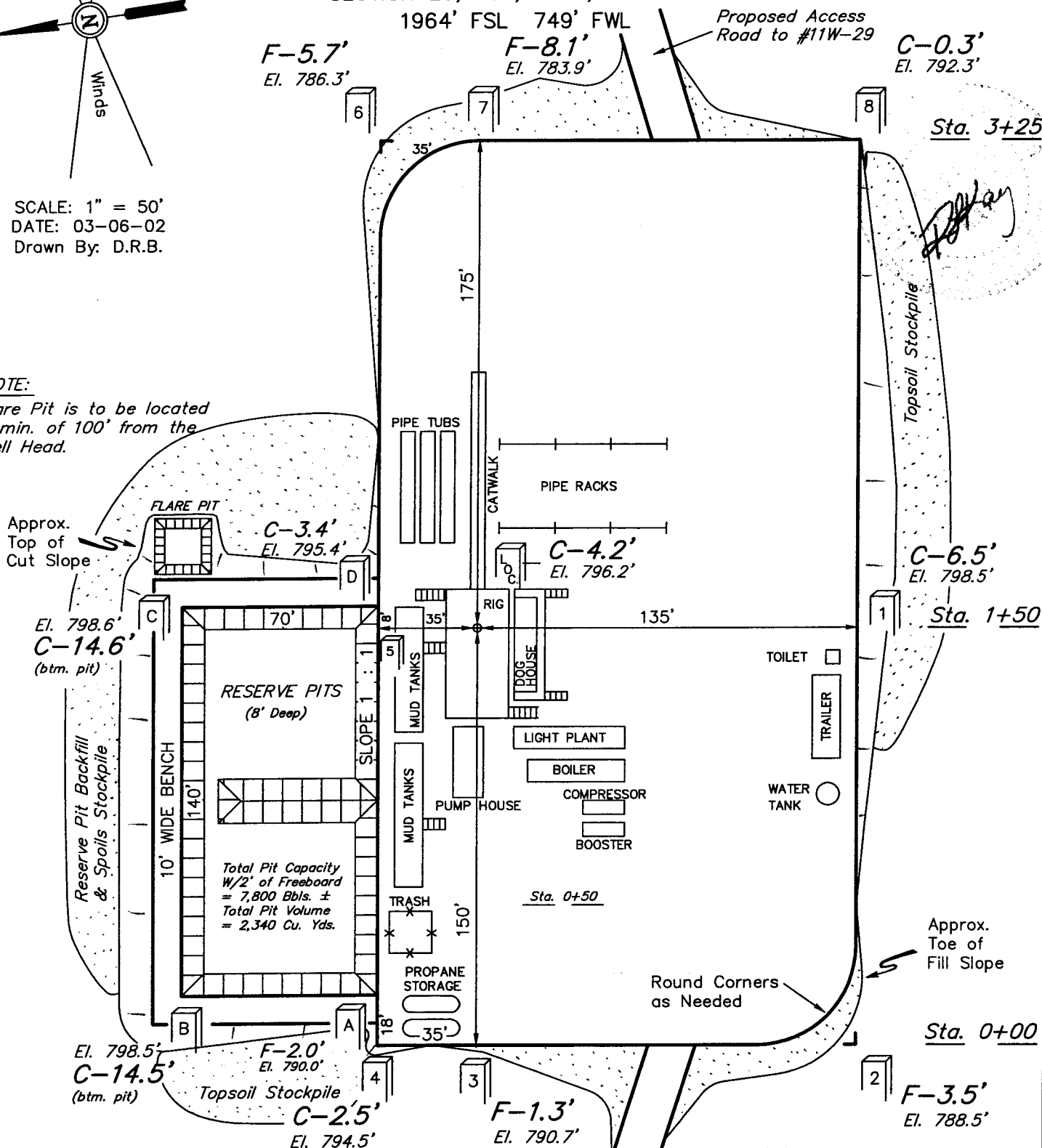
1964' FSL 749' FWL



SCALE: 1" = 50'
DATE: 03-06-02
Drawn By: D.R.B.

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



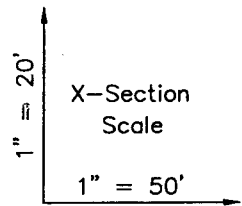
NOTES:

Elev. Ungraded Ground At Loc. Stake = 4796.2'
FINISHED GRADE ELEV. AT LOC. STAKE = 4792.0'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

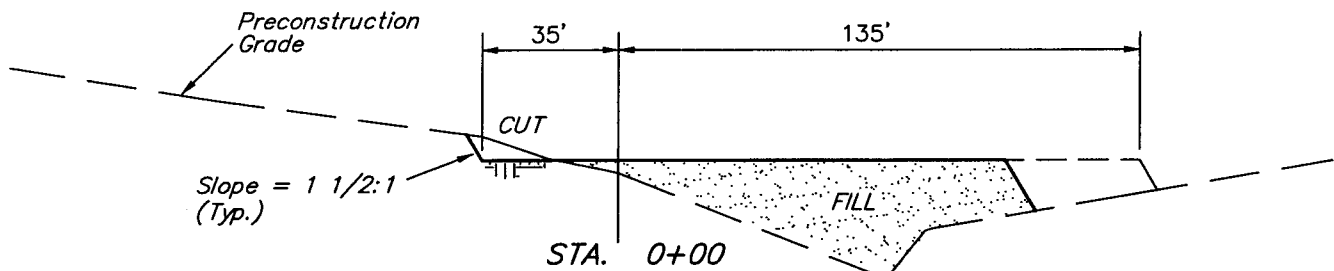
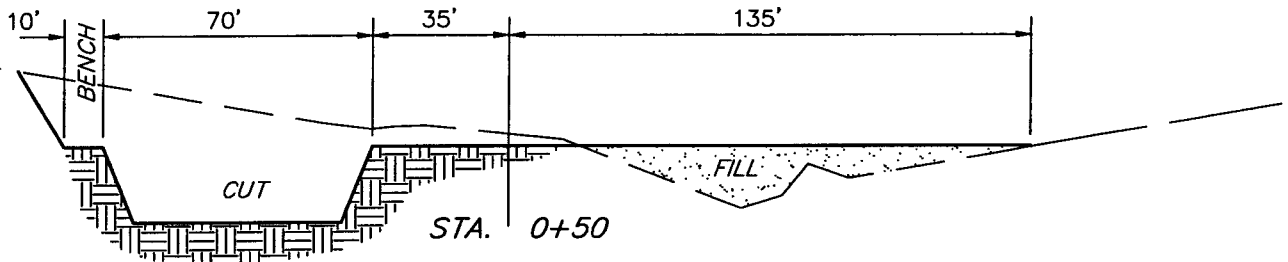
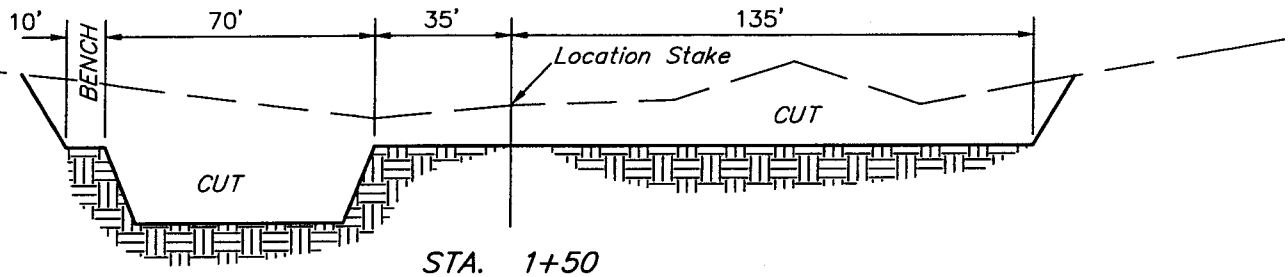
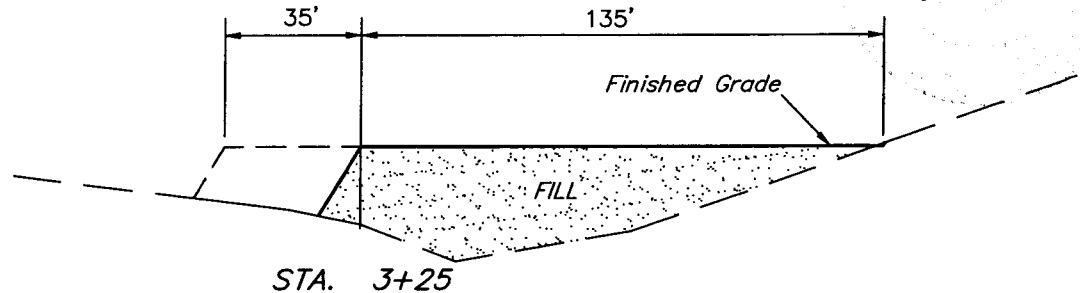
SHENANDOAH ENERGY, INC.

FIGURE #2



DATE: 03-06-02
Drawn By: D.R.B.

TYPICAL CROSS SECTIONS FOR
OU GB #12W-29-8-22
SECTION 29, T8S, R22E, S.L.B.&M.
1964' FSL 749' FWL



APPROXIMATE YARDAGES

CUT
(12") Topsoil Stripping = 2,520 Cu. Yds.
Remaining Location = 7,040 Cu. Yds.

TOTAL CUT = 9,560 CU.YDS.

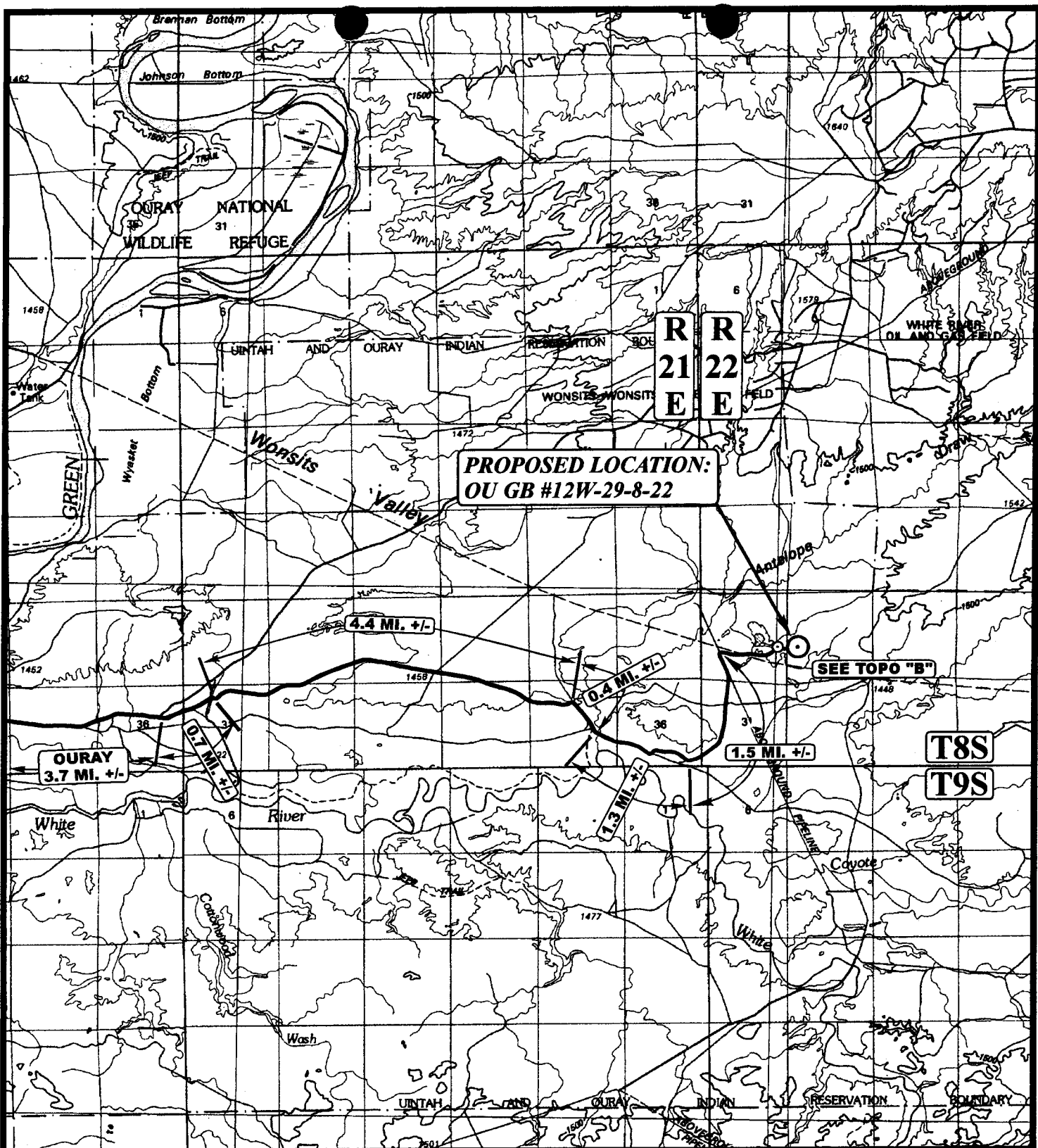
FILL = 5,350 CU.YDS.

EXCESS MATERIAL AFTER
5% COMPACTION = 3,930 Cu. Yds.

Topsoil & Pit Backfill
(1/2 Pit Vol.) = 3,690 Cu. Yds.

EXCESS UNBALANCE = 240 Cu. Yds.
(After Rehabilitation)
(Road Ramp onto Location)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

 PROPOSED LOCATION

N



SHENANDOAH ENERGY, INC.

OU GB #12W-29-8-22

SECTION 29, T8S, R22E, S.L.B.&M.

1964' FSL 749' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

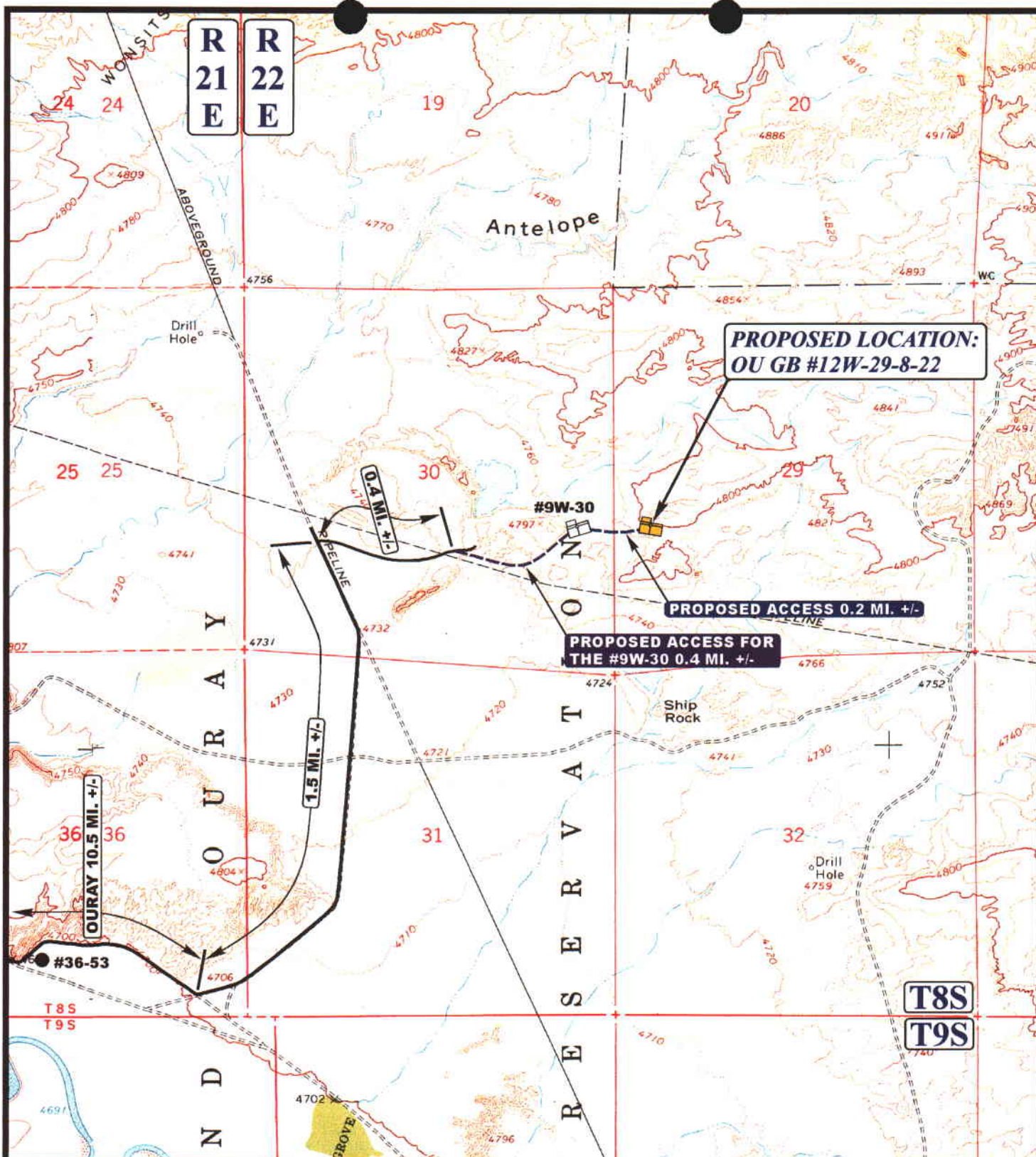
3 **6** **02**
 MONTH DAY YEAR

SCALE: 1:100,000

DRAWN BY: P.M.

REVISED: 00-00-00





LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD

SHENANDOAH ENERGY INC.

OU GB #12W-29-8-22
SECTION 29, T8S, R22E, S.L.B.&M.
1964' FSL 749' FWL

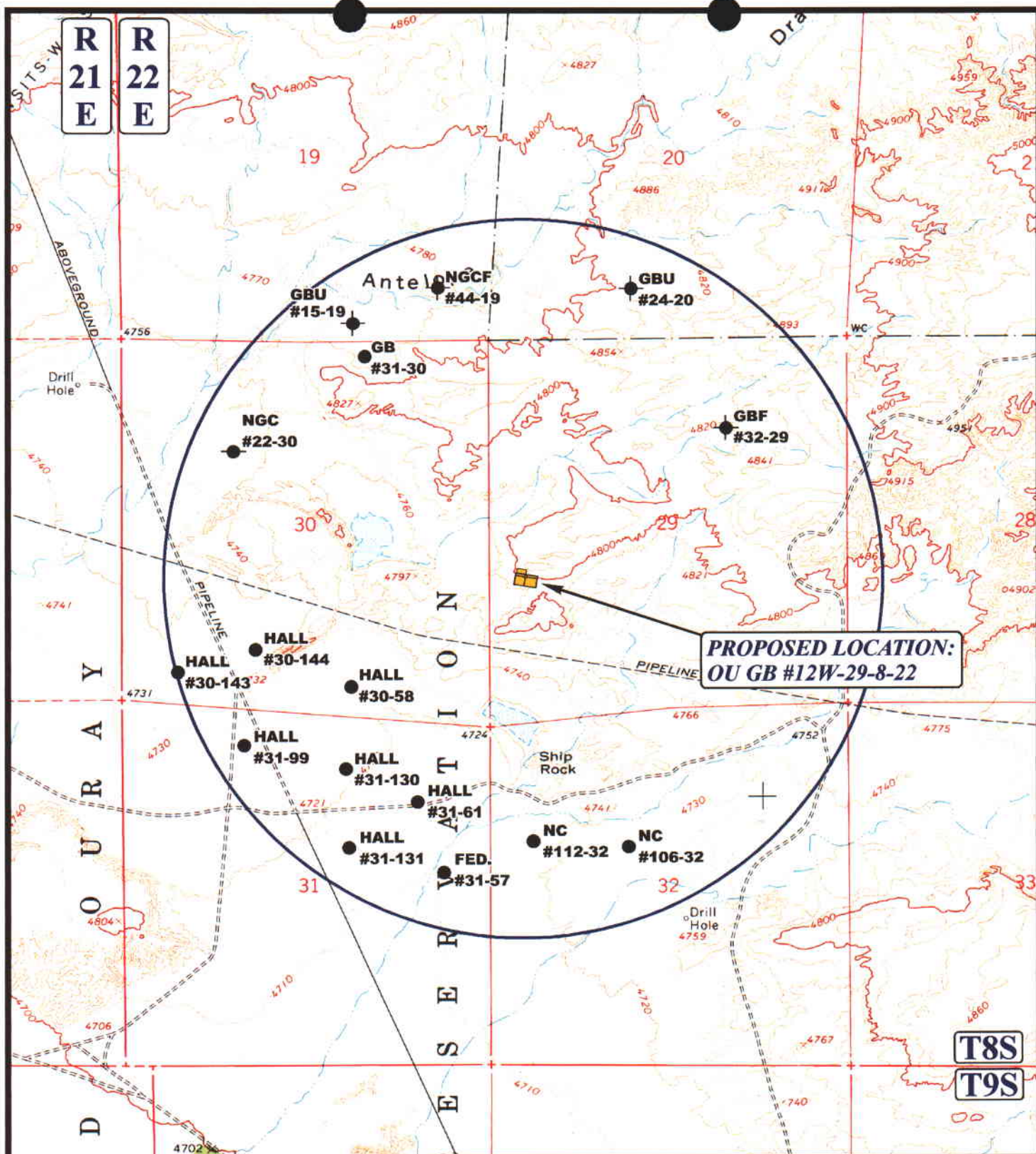
U E L S
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC **3** **6** **02**
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00

B
 TOPO

CONFIDENTIAL



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

SHENANDOAH ENERGY, INC.

OU GB #12W-29-8-22
SECTION 29, T8S, R22E, S.L.B.&M.
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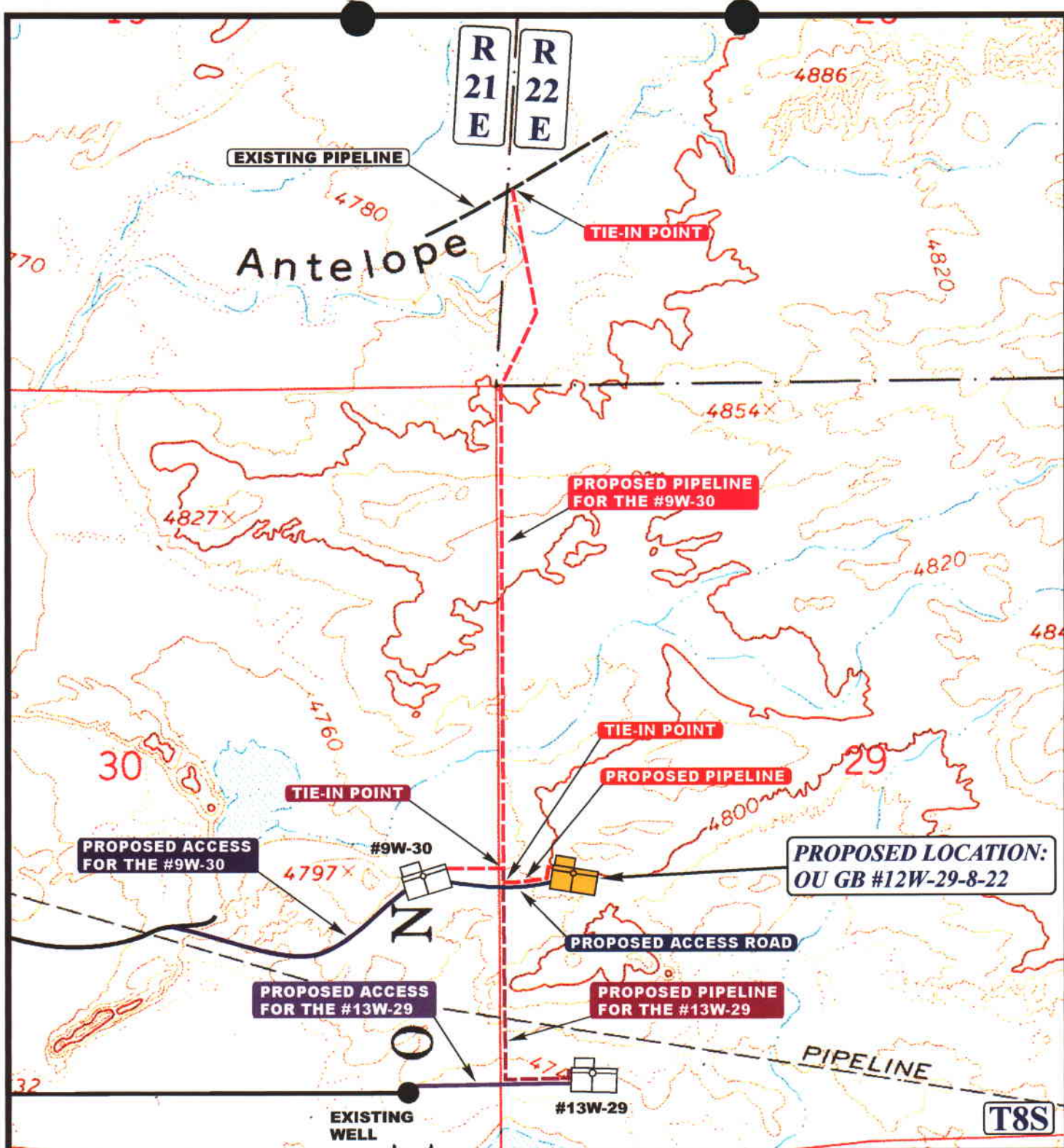
TOPOGRAPHIC
MAP

3 MONTH
6 DAY
02 YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00



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APPROXIMATE TOTAL PIPELINE DISTANCE = 700' +/-

LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - PROPOSED PIPELINE

SHENANDOAH ENERGY, INC.

OU GB #12W-29-8-22
SECTION 29, T8S, R22E, S.L.B.&M.
1964' FSL 749' FWL



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 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

3 MONTH
6 DAY
02 YEAR

SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00

D
TOPO

CONFIDENTIAL

002

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/19/2002

API NO. ASSIGNED: 43-047-34555

WELL NAME: OU GB 12W-29-8-22

OPERATOR: SHENANDOAH ENERGY INC (N4235)

CONTACT: JOHN BUSCH

PHONE NUMBER: 435-781-4341

PROPOSED LOCATION:

NWSW 29 080S 220E

SURFACE: 1964 FSL 0749 FWL

BOTTOM: 1964 FSL 0749 FWL

UINTAH

NATURAL BUTTES (630)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-74493

SURFACE OWNER: 2 - Indian

PROPOSED FORMATION: WSTC

INSPECT LOCATN BY: / /

Tech Review

Initials

Date

Engineering

Geology

Surface

RECEIVED AND/OR REVIEWED:

☒ Plat☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. U-0969)☒ Potash (Y/N)☒ Oil Shale 190-5 (B) or 190-3 or 190-13☒ Water Permit

(No. 43-8496)

☒ RDCC Review (Y/N)

(Date:)

☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

☐ R649-2-3. Unit☒ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

☐ R649-3-3. Exception☐ Drilling Unit

Board Cause No: _____

Eff Date: _____

Siting: _____

☐ R649-3-11. Directional Drill

COMMENTS:

1- Need Federal Approval Sop Separate File.

STIPULATIONS:

2- Spacing Stip



COUNTY: UINTAH SPACING: R649-3-2/GEN ST





State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

April 22, 2002

Shenandoah Energy Inc
11002 E 17500 S
Vernal UT 84078

Re: Over & Under Glen Bench 12W-29-8-22 Well, 1964' FSL, 749' FWL, NW SW, Sec. 29,
T. 8 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34555.

Sincerely,

John R. Baza
Associate Director

er

Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Shenandoah Energy Inc
Well Name & Number Over & Under Glen Bench 12W-29-8-22
API Number: 43-047-34555
Lease: UTU-74493

Location: NW SW Sec. 29 T. 8 South R. 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*

FORM APPROVED
OMB NO. 1040-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK

DRILL ☒DEEPEN ☐

TYPE OF WELL

☐☒☐SINGLE
ZONEMULTIPLE
ZONE

OIL WELL

GAS WELL

OTHER

2. NAME OF OPERATOR

Shenandoah Energy Inc.

Contact: John Busch

E-Mail: ibusch@shenandoahenergy.com

3. ADDRESS

11002 E. 17500 S. Vernal, Ut 84078

Telephone number

Phone 435-781-4341 Fax 435-781-4323

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NWSW, 1964' FSL, 749' FWL, LOT #5

At proposed production zone

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15 +/- MILES FROM REDWASH, UTAH

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(also to nearest drig,unit line if any)

749' +/-

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completed, applied for, on this lease, ft

3000' +/-

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U-0969

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ASAP

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10 days

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Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the
authorized officer.

SIGNED John Busch

Name (printed/typed) JOHN BUSCH

DATE April 16-02

TITLE Operations

(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE _____

NOTICE OF APPROVAL

Application approval does not warrant or certify the applicant holds any legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

CONDITIONS OF APPROVAL, IF ANY

APPROVED BY Howard R. Chandler TITLE _____Assistant Field Manager
Mineral Resources

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the
United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

CONDITIONS OF APPROVAL ATTACHED

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DIVISION OF
OIL, GAS AND MINING

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Shenandoah Energy Inc.

Well Name & Number: OU GB #12W-29-8-22

API Number: 43-047-34555

Lease Number: U-74493

Location: NWSW Sec. 29 T.8S R. 22E

Agreement: N/A

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

Casing Program and Auxiliary Equipment

As a minimum requirement, the cement behind the production casing must extend 200' above the top of the fresh water identified at ± 1215 .

Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

Other Information

The proposed completion interval is not in the Glen Bench Unit. If production is established in the Wasatch, it must be accounted for on a lease basis.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman (435) 828-7874
Petroleum Engineer

Kirk Fleetwood (435) 828-7875
Petroleum Engineer

BLM FAX Machine (435) 781-4410

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

Shenandoah Energy, INC. (Shenandoah) will assure the Ute Tribe that any/all contractors and subcontractors have acquired a current Tribal Business License and have updated "Access Permits" prior to construction. All Shenandoah personnel, contractors and subcontractors will have these permits in their vehicles at all times. Companies that have not complied with this COA will be in violation of the Ute Tribal Business License Ordinance, and will be subject to fines and penalties.

Shenandoah employees, representatives, and/or authorized personnel (subcontractors) shall not carry firearms on their person or in their vehicles while working on the Uintah and Ouray Indian Reservation.

Shenandoah employees and/or authorized personnel (subcontractors) in the field will have approved applicable APDs and/or ROW permits/authorizations on their person(s) during all phases of construction.

Shenandoah will notify the Ute Tribe and Bureau of Indian Affairs (BIA) in writing of any requested modification of APDs or Rights-Of Way (ROW). Shenandoah shall receive written notification of authorization or denial of the requested modification. Without authorization, Shenandoah will be subject to fines and penalties.

The Ute Tribe Energy & Minerals Department shall be notified in writing 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday. A Tribal Technician is to routinely monitor construction. Shenandoah shall make arrangements with the Ute Energy & Minerals Department for all monitoring that will exceed regular working hours for Tribal Technicians. A qualified Archaeologist accompanied by a Tribal Technician will monitor the pipeline construction including any trenching construction of the pipeline and the construction of the new access road and pad. A qualified Paleontologist accompanied by a Tribal Technician shall monitor the pad construction. Shenandoah is to inform contractors to maintain construction of the pipelines within the approved right of ways.

A corridor ROW, 30 feet wide and 731 feet long, shall be granted for the pipeline and for the new access road. An additional 400 feet of the access road in Section 30 will share part of the corridor ROW with the pipeline for the Shenandoah 9W-30-8-22 proposed pipeline. The constructed travel width of the new access road will be limited to 18 feet. Upon authorization by the Ute Tribe Energy & Minerals Department, the ROW may be wider where sharp curves; deep cuts and fills occur; or, where intersections with other roads are required.

Upon completion of the pertinent APD and ROWs, Shenandoah will notify the Ute Tribe Energy & Minerals Department for a Tribal Technician to verify the Affidavit of Completion. When each pipeline has been constructed and completed as built descriptions will be filed with the Ute Tribal Energy and Minerals Department.

Production waters, oil, and other byproducts shall not be placed on access roads or the well pad.

All vehicular traffic, personnel movement, construction and restoration operations will be confined to the areas examined and approved and to the existing roadways and/or evaluated access routes.

Shenandoah will implement "Safety and Emergency Plan" and ensure plan compliance.

Shenandoah shall stop construction activities and notify personnel from the Ute Tribe Energy & Minerals Department and BIA if cultural remains including paleontologic resources (vertebrate fossils) are exposed or identified during construction. The Ute Tribe Department of Cultural Rights and Protection and the BIA will provide mitigation measures prior to allowing construction.

Shenandoah employees and/or authorized personnel (subcontractors) will not be allowed to collect artifacts and paleontologic fossils. No significant cultural resources shall be disturbed.

Shenandoah will control noxious weeds on the well site and ROWs. Shenandoah will be responsible for noxious weed control if weeds spread from the project area onto adjoining land.

Reserve pits will not be lined unless a liner is necessary to prevent leakage and conserve drilling fluids. If a liner is needed the pits will be lined with an impervious synthetic liner. A fence will be constructed around the reserve pit until it is backfilled. Prior to backfilling the reserve pit, all fluids will be pumped from the pit into trucks and hauled to approved disposal sites. When the reserve pits are backfilled, the surplus oil and mud, etc., will be buried a minimum of 3 feet below the surface of the soil.

A closed system will be used during production. This means that production fluids will be contained in leak-proof tanks. All production fluids will be disposed of at approved disposal sites.

Surface pipelines will be constructed to lay on the soil surface. The pipeline ROW will not be bladed or cleared of vegetation without authorization of the BIA. Surface pipelines shall be welded in place at well sites or on access roads and on other existing roads then pulled into place with suitable equipment. Vehicles shall not use pipeline ROWs as access roads unless specifically authorized.

Before the site is abandoned, Shenandoah will be required to restore the well site and ROWs to near their original state. The disturbed areas will be reseeded with desirable perennial vegetation.

Soil erosion will be mitigated by reseeded all disturbed areas.

ENTITY ACTION FORM - FORM 6

OPERATOR: **Shenandoah Energy, Inc.**
ADDRESS: **11002 East 17500 South
Vernal, Utah 84078-8526**

OPERATOR ACCT. No. **N-4235**

(435)781-4300

Action Code	Current Entity No.	New Entity No.	API Number	Well Name	QQ	SC	TP	RG	County	Spud Date	Effective Date
B A	99999	13515	43-047-34555	OU GB 12W 29 8 22	NWSW	29	8S	22E	Uintah	6/11/02	6-17-02

WELL 1 COMMENTS:

New well to be drilled in Natural Buttes (Glen Bench). Not in the Wasatch participating area.

WELL 2 COMMENTS:

WELL 3 COMMENTS:

WELL 4 COMMENTS:

WELL 5 COMMENTS:

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

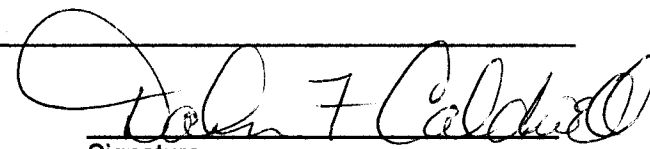
NOTE: Use COMMENT section to explain why each Action Code was selected

(3/89)

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Signature

Administrative Assistant 6/13/02
Title Date

Phone No. **(435) 781-4342**

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

004

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

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1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU-74493
2. Name of Operator SHENANDOAH ENERGY		6. If Indian, Allottee or Tribe Name UTE TRIBE
3a. Address 11002 E. 17500 S. VERNAL, UT 84078		7. If Unit or CA/Agreement, Name and/or No. N/A
3b. Phone No. (include area code) Ph: 435.781.4342 Fx: 435.781.4357		8. Well Name and No. OU GB 12W 29-8-22
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T8S R22E NWSW 1964FSL 749FWL		9. API Well No. 43-047-34555
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Well Spud
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This well was spud on 6/11/02. Drilled 12 1/4" hole to 458'. Ran 10 joints 9 5/8" 36# casing to 446' GL.

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**DIVISION OF
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14. I hereby certify that the foregoing is true and correct. Electronic Submission #12034 verified by the BLM Well Information System For SHENANDOAH ENERGY, sent to the Vernal	
Name (Printed/Typed) DAHN F. CALDWELL	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission) <i>Dahn F. Caldwell</i>	Date 06/13/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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UNITED STATES
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BUREAU OF LAND MANAGEMENT

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FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. OVER & UNDER GLEN BE 12W-29-8-22
2. Name of Operator SHENANDOAH ENERGY INC.		9. API Well No. 43-047-34555
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435.781.4309 Fx: 435.781.4329	10. Field and Pool, or Exploratory NATURAL BUTTES
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T8S R22E NWSW 1964FSL 749FWL		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This well was Plugged & Abandoned on 6/30/02.

1 - Encountered mechanical problems and had to abandoned. It was never logged or cased, did not reach TD.

2 - Approval and conditions was received to P&A well by Ed Forsman on 6/26/02 @ 6:10 p.m.
Plug #1 - 165 sks - premag 300 - neat, yield 1.15, 15.8lbs per gallon, plug set @ 3492' - Tagged @ 3047'
Plug #2 - 166 sks- premag300 - neat, yield 1.15, 15.8lbs per gallon, plug set @ 2825' - Tagged @ 2825'
Plug #3 - 75 sks - premag300 W/2% CALC2, yield 1.15, 15.8 lbs per gallon, 2350' - Tagged @ 2280'
Plug #4 - 100 sks - premag300 W/2% CALC2 - yield 1.15, 15.8lbs per gallon, 2270'-2157'

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14. I hereby certify that the foregoing is true and correct. Electronic Submission #12464 verified by the BLM Well Information System For SHENANDOAH ENERGY INC., sent to the Vernal	
Name (Printed/Typed) RALEEN SEARLE	Title PREPARER
Signature <i>Raleen Searle</i> (Electronic Submission)	Date 07/02/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

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Additional data for EC transaction #12464 that would not fit on the form

32. Additional remarks, continued

Plug #5 - 75 sks - premag300 W/2% CALC2 yield 1.15, 15.8lbs per gallon, 1332' cement was not there
Plug #6 - 100 sks - premag300 W/2% CALC2 , yield 1.15, 15.8lbs per gallon, 1332' did not tag
Plug #7 - 100 sks - premag300 W/2% CALC2 , yield 1.15, 15.8lbs per gallon, 555'-355', Tagged @ 368'
Plug #8 - 20 sks - premag300 W/2% CALC2 , yield 1.15, 15.8lbs per gallon, 336'-386' Did not tag
Plug #9 - 60 sks - premag300 W/2% CALC2 , yield 1.15, 15.8lbs per gallon, 95'-0' Cement to surface

Jerry Barnes, Cliff Johnson & Jamie Sparger of the Vernal BLM witnessed cementing.

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5. Lease Serial No.
UTU-74493

23. Casing and Liner Record (Report all strings set in well)

24. Tubing Record

25. Producing Intervals

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.RECEIVED

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28. Production - Interval A

28a. Production - Interval B

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PERIOD
~~EXPIRED~~
ON 7-30-03

RC SUBMISSION #17146 VERIFIED BY THE DEM WELD INFORMATION SYSTEM
 ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL **

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00-705104

28c. Production - Interval D

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
OTHER

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth

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JAN 06 2003
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"Confidential. Do not release well information without permission from Shenandoah Energy Inc."

Encountered mechanical problems & had to abandon. It was never logged or cased, did not reach TD. P&A completed on 6/30/02.

1. Electrical/Mechanical Logs (1 full set req'd.) 2. Geologic Report 3. DST Report 4. Directional Survey

5. Sundry Notice for plugging and cement verification 6. Core Analysis 7 Other:

Electronic Submission #17148 Verified by the BLM Well Information System.
For SHENANDOAH ENERGY, sent to the Vernal

Title COMPLETION MANAGER

Date 01/02/2003

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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